



Request For Proposal - Multi-Year Auditing Services

**County of San Bernardino
Auditor/Controller-Recorder
222 W. Hospitality Lane
San Bernardino, CA 92415-0018
March 2003**

I. INTRODUCTION

A. Purpose

This Request for Proposal (RFP) is to solicit proposals from qualified firms (VENDORS) for a three-year contract for the annual Financial/Single Audit for the fiscal years ending June 30, 2003; June 30, 2004; and June 30, 2005 for the County of San Bernardino.

The audit must be made in accordance with generally accepted auditing standards in the United States of America, the Single Audit Act of 1984 and all applicable standards of the Government Accounting Standards Board.

B. Period of Agreement

The requested audit services are for a three-year period beginning with the fiscal year ending June 30, 2003 and ending with fiscal year ending June 30, 2005.

C. Minimum Vendor Requirements

All Vendors must:

1. Have at least three - (3) years experience in providing these type services for other governmental entities.
2. Provide at least three (3) references for which these type services have been performed within the past five (5) years.
3. Meet other presentation and participation requirements listed in this RFP.
4. Have no outstanding or pending complaints and no unsatisfactory record of performance with the county or any other public agency.
5. Have the administrative and fiscal capability to provide and manage the proposed services within provided timelines.

D. Non-Mandatory Pre-Proposal Conference

There will be a non-mandatory Pre-Proposal Conference at the Auditor/Controller-Recorder Office in conference rooms B and C, 222 W. Hospitality Lane, Fourth Floor, San Bernardino, California, on **March 14, 2003 at 2:00 P.M.** Attendance at the conference is not mandatory, but is encouraged so vendors may ask questions regarding the requested services. Proposals will be accepted from a vendor who did not attend the proposal conference. The County may issue an addendum to the RFP after the proposal conference if the County considers that additional clarifications are needed.

Any addendum and questions and answers will only be posted to the County's Purchasing Department website.

E. Questions

Questions regarding the services being requested or the contents of this RFP must be submitted in writing on or before **12:00 Noon (Local Time) on March 12, 2003** and directed to the individual listed in Part I, Section F. All questions will be answered and copies of both the question and answer will only be posted to the County's Purchasing Department website.

F. Correspondence

All correspondence, including proposals, is to be submitted to:

**Howard M. Ochi, Chief Deputy Auditor
Auditor/Controller-Recorder Office
222 W. Hospitality Lane, Fourth Floor
San Bernardino, CA 92415-0018
(909) 386-8822
Fax (909) 386-8830
Email: hochi@acr.sbcounty.gov**

- Fax number and e-mail address may be used to submit questions only. **Proposals will not be accepted by e-mail or facsimile.**

G. Proposal Submission Deadline.

All proposals must be received at the address listed above, no later than 2:00pm on Monday, March 24, 2003. Facsimile or electronically transmitted proposals will not be accepted in lieu of actual receipt. Proposals received after the deadline will be marked "LATE" and will receive no further consideration. It is the responsibility of each vendor to make certain the proposal response is received on time.

II. PROPOSAL TIMELINE

Release of RFP	March 4, 2003
Deadline for Submission of Questions	12:00 Noon (Local Time) on March 12, 2003
Non-Mandatory Pre-Proposal Conference	2:00 p.m. (Local Time) on March 14, 2003
Deadline for Proposals	2:00 p.m. (Local Time) on March 24, 2003
Tentative Date of Notification of Award	April 2003

III. PROPOSAL CONDITIONS

1. Contingencies

This Request for Proposal (RFP) does not commit the County of San Bernardino to award an agreement. The County reserves the right to accept or reject any or all proposals if the County determines it is in the best interest of the County to do so.

2. Acceptance or Rejection of Proposals

Proposals shall remain open, valid and subject to acceptance anytime within one hundred eighty (180) days after the proposal opening and up to the end of the agreement period.

The County realizes that conditions other than price are important and will award contract(s) based on the proposal that best meets the needs of the County.

3. Modifications

The County reserves the right to issue addenda or amendments to this RFP.

4. Proposal Submission

To be considered, all proposals must be submitted in the manner set forth in this proposal. It is the Vendor's responsibility to ensure that its proposal arrives on or before the specified time.

5. Incurred Costs

This RFP does not commit the County to pay any costs incurred in the preparation of a proposal in response to this request and Vendors agree that all costs incurred in developing this proposal are the Vendor's responsibility.

6. Negotiations

The County may require the potential Vendor selected to participate in negotiations, and to submit revisions of their proposals as may result from negotiations.

7. Final Authority

The final authority to award an agreement as a result of this RFP rests solely with the Board of Supervisors of the County of San Bernardino.

8. Disclosure of Criminal and Civil Proceedings

The County reserves the right to request the information described herein from the Vendor selected for contract award. Failure to provide the information may result in a disqualification from the selection process and no award of contract to the Vendor. The County also reserves the right to obtain the requested information by way of a background check performed by an investigative firm. The selected Vendor also may be requested to provide information to clarify initial responses. Negative information provided or discovered may result in disqualification from the selection process and no award of contract.

The selected Vendor may be asked to disclose the firm, or any of its partners, principals, members, associates or key employees (as that term is defined herein), within the last ten years, has been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense arising directly or indirectly from the conduct of the firm's business, or whether the firm or any of its partners, principals, members, associates or key employees, has within the last ten years, has been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense involving financial misconduct or fraud. If the response is affirmative, the vendor will be asked to describe any such indictments or charges (and the status thereof), convictions and the surrounding circumstances in detail.

In addition, the selected Vendor may be asked to disclose whether the firm, or any of its partners, principals, members, associates or key employees, within the last ten years, has been the subject of legal proceedings as defined herein arising directly from the provision of services by the firm or those individuals. "Legal proceedings" means any civil actions filed in a court of competent jurisdiction, or any matters filed by an administrative or regulatory body with jurisdiction over the firm or the individuals. If the response is affirmative, the Vendor will be asked to describe any such legal proceedings (and the status and disposition thereof) and the surrounding circumstances in detail.

For purposes of this provision "key employees" includes any individuals providing direct service to the County. "Key employees" do not include clerical personnel providing service at the firm's offices or locations.

Please do not include any additional information that is not required by this Request for Proposal.

IV. BACKGROUND

The Office of the Auditor/Controller-Recorder (ACR) prepares the County of San Bernardino's Comprehensive Annual Financial Report (CAFR) in accordance with generally accepted accounting principles as promulgated by the Government Accounting Standards Board. As required by these principles, the CAFR presents the primary government (County of San Bernardino) and its component units. These blended component units will include Fire Protection Districts, Flood Control District, Park and Recreation Districts, Crestline Sanitation District, County Service Areas, various Joint Powers Authorities including a Public Benefit Corporation—Inland Empire Facilities Corporation, Inland Empire Solid Waste Financing Authority, San Bernardino County Financing Authority and the Crestline Financing Authority. The County has no discretely presented component units. The County has implemented the provisions of Government Accounting Standards Board Statement Number 34 and all subsequent applicable statements. Separate audited financial statements are prepared for all component units either by external firms or by the ACR Internal Audits Section. Please review the County's June 30, 2001 and June 30, 2002 Comprehensive Annual Financial Reports on the Auditor/Controller-Recorder website at www.acr.sbcounty.gov. (See Attachment A)

V. SCOPE OF WORK

You are invited to submit a multi-year proposal covering a three-year period beginning with the fiscal year ending June 30, 2003 to provide auditing services for the County of San Bernardino. The auditing services shall comprise the following:

- A. An audit examination of the CAFR for the fiscal year ending June 30, 2003; June 30, 2004; and June 30, 2005 in accordance with generally accepted auditing standards for the purpose of determining whether or not such financial statements fairly present the financial position and results of operations of the County in accordance with generally accepted governmental accounting principles. The audit examination shall incorporate requirements of all applicable standards of the Governmental Accounting Standards Board and Government Auditing Standards.
- B. Advice and assistance to the County regarding meeting the requirements of the Certificate of Achievement for Excellence in Financial Reporting pursuant to Government Finance Officers Association standards.
- C. An audit of the County pursuant to the Single Audit Act of 1984 (Public Law 98-502). Please review the County's Single Audit Report for year ended June 30, 2001 at www.acr.sbcounty.gov.
- D. A separate audit report, including preparation of the statements, of the Arrowhead Regional Medical Center, which is an Enterprise Fund.
- E. An agreed upon procedures report for the Gann Appropriation Limit.
- F. Recommendations pertaining to improvements in internal controls.

- G. The County is required to meet certain deadlines for the filing of the CAFR (and other financial information) with certain dissemination agents and entities such as letter of credit providers. As a result, the successful VENDOR will be required to provide their draft audit report on the Arrowhead Regional Medical Center (ARMC) by October 15th of each year and their opinion letter on the CAFR by December 15th of each year. The ARMC draft audit report can include the estimated Medicare Cost Report information.

To meet the due dates, the County will pay the successful VENDOR a lump-sum of \$5,000 if the draft ARMC audit report is received by October 15th or the first business day thereafter and another \$5,000 if the CAFR opinion letter is received by December 15th or the first business day thereafter. In addition, the County will pay the successful VENDOR an additional \$1,000 per calendar day of incentive for each day the CAFR opinion letter is received prior to December 15th, up to a maximum of \$10,000.

- H. The Vendor is required to provide the County the Single Audit Report by March 15th, of each year.
- I. The Vendor is required to provide the County their Management Letter by March 15th, of each year
- J. The Vendor is required to provide the County the GANN Appropriation Limit Report by October 15th of each year.

VI. GENERAL AGREEMENT TERMS

A. GENERAL

1. Representation of the County

In the performance of the Agreement, VENDOR, its agents and employees, shall act in an independent capacity and not as officers, employees, or agents of the County of San Bernardino.

2. Vendor Primary Contact

The VENDOR will designate an individual to serve as the primary point of contact for the Agreement. VENDOR or designee must respond to COUNTY inquiries within two- (2) business days. VENDOR shall not change the primary contact without written acknowledgement to the County.

3. Change of Address

VENDOR shall notify the COUNTY in writing, of any change in mailing address within ten (10) business days of the change.

4. Subcontracting

VENDOR agrees not to enter into any subcontracting agreements for work contemplated under the Agreement without first obtaining written approval from the COUNTY. Any subcontracting shall be subject to the same terms and conditions as VENDOR. VENDOR shall be fully responsible for the performance and payments of any subcontractor's contract.

5. Agreement Assignability

Without the prior written consent of the COUNTY, the agreement is not assignable by VENDOR either in whole or in part.

6. Agreement Amendments

VENDOR agrees any alterations, variations, modifications, or waivers of the provisions of the Agreement, shall be valid only when reduced to writing, executed and attached to the original Agreement and approved by the required persons.

7. Termination for Convenience

The COUNTY for its convenience may terminate in whole or in part upon thirty - (30) calendar day's written notice this Agreement. If such termination is effected, an equitable adjustment in the price provided for in this Agreement shall be made. Such adjustment shall provide for payment to the VENDOR for services satisfactorily rendered and reasonable expenses incurred prior to the effective date of termination. Upon receipt of termination notice VENDOR shall promptly discontinue services unless the notice directs otherwise. Vendor shall deliver promptly to County and transfer title (if necessary) all completed work, and work in progress, including drafts, documents, plans, forms, data, products, graphics, computer programs and reports.

8. Attorney Fees and Costs

If any legal action is instituted to enforce any party's rights hereunder, each party shall bear its own costs and attorneys' fees, regardless of who is the prevailing party. This paragraph shall not apply to those costs and attorneys' fees directly arising from a third-party legal action against a party hereto and payable under Part B-1 INDEMNIFICATION.

9. Venue

The venue of any action or claim brought by any party to this Agreement will be the Superior Court of California, County of San Bernardino, Central Division. Each party hereby waives any law or rule of the court, which would allow them to request or demand a change of venue. If any action or claim concerning this Agreement is brought by any third-party and filed in another venue, the parties hereto agree to use their best efforts to obtain a change of venue to San Bernardino County.

10. Jury Trial Waiver

VENDOR and COUNTY hereby waive their respective rights to trial, by jury for any cause of action, claim, counterclaim, or cross-complaint in any action, proceeding, and/or hearing brought by either VENDOR against COUNTY or COUNTY against VENDOR on any matter arising out of, or in any way connected with this Agreement, the relationship of VENDOR and COUNTY, or any claim of injury or damage, or the enforcement of any remedy under any law, statute, or regulation, emergency or otherwise, now or hereafter in effect.

11. Licenses and Permits

VENDOR shall ensure that it has all necessary licenses and permits required by the laws of Federal, State, COUNTY, and municipal laws, ordinances, rules and regulations. The VENDOR shall maintain these licenses and permits in effect for the duration of this Agreement. VENDOR will notify COUNTY immediately of loss or suspension of any such licenses and permits. Failure to maintain a required license or permit may result in immediate termination of this Agreement.

12. Notification Regarding Performance

In the event of a problem or potential problem that could impact the quality or quantity of work, services, or the level of performance under this Agreement, the VENDOR shall notify the COUNTY within one- (1) working day, in writing and by telephone.

13. Conflict of Interest

Vendor shall make all reasonable efforts to ensure that no County officer or employee, whose position in the County enables him/her to influence any award of this contract or any competing offer, shall have any

direct or indirect financial interest resulting from the award of this contract or shall have any relationship to the Vendor or officer or employee of the Vendor.

14. Improper Consideration

Vendor shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee or agent of the County in an attempt to secure favorable treatment regarding this Agreement.

The County, by written notice, may immediately terminate any Agreement if it determines that any improper consideration as described in the preceding paragraph was offered to any officer, employee or agent of the County with respect to the proposal and award process. This prohibition shall apply to any amendment, extension or evaluation process once an Agreement has been awarded.

Vendor shall immediately report any attempt by a County officer, employee or agent to solicit (either directly or through an intermediary) improper consideration from Vendor. The report shall be made to the supervisor or manager charged with supervision of the employee or to the County Administrative Office. In the event of a termination under this provision, the County is entitled to pursue any available legal remedies.

15. Inaccuracies or Misrepresentations

If in the course of the RFP process or in the administration of a resulting Agreement, the COUNTY determines that VENDOR has made a material misstatement or misrepresentation or that materially inaccurate information has been provided to the COUNTY, the VENDOR may be terminated from the RFP process or in the event a Agreement has been awarded, the Agreement may be immediately terminated.

In the event of a termination under this provision, the COUNTY is entitled to pursue any available legal remedies.

16. Employment of Former County Officials

Vendor agrees to provide or has already provided information on former County of San Bernardino administrative officials (as defined below) who are employed by or represent Vendor. The information provided includes a list of former county administrative officials who terminated county employment within the last five years and who are now officers, principals, partners, associates or members of the business. The information also includes the employment with or representation of vendor. For purposes of this provision, "county administrative official" is defined as a member of the Board of Supervisors or such officer's staff, County Administrative Officer or member of such officer's staff, county department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit.

17. Recycled Paper Products

The County has adopted a recycled product purchasing standards policy (11-10), which requires contractors to use recycled paper for proposals and for any printed or photocopied material created as a result of a contract with the County. The policy also requires Contractors to use both sides of paper sheets for reports submitted to the County whenever practicable

18. Artwork, Proofs and/or Negatives

All artwork, proofs and/or negatives in either print or digital format for this product are the property of the County of San Bernardino. These items must be returned to the County of San Bernardino within ten-(10) days, upon written notification to the Vendor. In the event of a failure to return the documents, the

County is entitled to pursue any available legal remedies. In addition, the Vendor will be barred from all future solicitations, for a period of at least six- (6) months.

19. Payment

Vendor shall be paid for services under this agreement, on a progress-billing basis. However, no more than 90% of each fiscal year's fee will be paid until the final reports are accepted by the County.

20. Ownership of Documents

All documents, data, products, graphics, computer programs and reports prepared by Vendor pursuant to this Agreement shall be considered property of the COUNTY upon payment for services. All such items shall be delivered to COUNTY at the completion of work under this Agreement, subject to the requirements of Section IV, A7 (Termination for Convenience). Unless otherwise directed by County, Vendor may retain copies of such items.

21. Release of Information

No news releases, advertisements, public announcements or photographs arising out of this Agreement or Vendor's relationship with County may be made or used without prior written approval of the County.

B. INDEMNIFICATION AND INSURANCE REQUIREMENTS

1. Indemnification

The Vendor agrees to indemnify, defend and hold harmless the County and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages and/or liability arising from Vendor's acts, errors or omissions and for any costs or expenses incurred by the County on account of any claim therefore, except where such indemnification is prohibited by law.

2. Insurance Coverage

Without in any way affecting the indemnity herein provided and in addition thereto, the VENDOR shall secure and maintain throughout the Agreement the following types of insurance with limits as shown:

a) Workers' Compensation - A program of Workers' Compensation insurance or a State-approved Self-Insurance Program in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employer's Liability with \$250,000 limits, covering all persons providing services on behalf of the VENDOR and all risks to such persons under this Agreement.

If Contractor has no employees, it may certify or warrant to County that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code and the requirement for Workers' Compensation coverage will be waived by the County's Risk Manager.

With respect to Contractors that are non-profit corporations organized under California or Federal law, volunteers for such entities are required to be covered by Workers' Compensation insurance. If the County's Risk Manager determines that there is no reasonably priced coverage for volunteers, evidence of participation in a volunteer insurance program may be substituted.

b) Comprehensive General and Automobile Liability Insurance - This coverage to include contractual coverage and automobile liability coverage for owned, hired and non-owned

vehicles. The policy shall have combined single limits for bodily injury and property damage of not less than one million dollars (\$1,000,000).

c) Errors and Omission Liability Insurance – Combined single limits of \$1,000,000 for bodily injury and property damage and \$3,000,000 in the aggregate; or

d) Professional Liability – Professional liability insurance with limits of at least \$1,000,000 per claim or occurrence.

3. Additional Named Insured

All policies, except for the Workers' Compensation, Errors and Omissions and Professional Liability policies shall contain additional endorsements naming the COUNTY and its officers, employees, agents and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder.

4. Waiver of Subrogation Rights

The VENDOR shall require the carriers of the above-required coverage's to waive all rights of subrogation against the COUNTY, its officers, employees, agents, volunteers, Vendors, and subcontractor.

5. Policies Primary and Non-Contributory

All policies required above are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by the COUNTY.

6. Proof of Coverage

The VENDOR shall immediately furnish certificates of insurance to the COUNTY Department administering the Agreement evidencing the insurance coverage, including the endorsements above required, prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department. VENDOR shall maintain such insurance from the time VENDOR commences performance of services hereunder until the completion of such services. Within sixty- (60) days of the commencement of this Agreement, the VENDOR shall furnish certified copies of the policies and all endorsements.

7. Insurance Review

The above insurance requirements are subject to periodic review by the COUNTY. The County's Risk Manager is authorized, but not required, to reduce or waive any of the above insurance requirements whenever the Risk Manager determines that any of the above insurance is not available, is unreasonably priced, or is not needed to protect the interests of the COUNTY. In addition, if the Risk Manager determines that heretofore, unreasonably priced or unavailable types of insurance coverage or coverage limits become reasonably priced or available, the Risk Manager is authorized but not required, to change the above insurance requirements, to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against the COUNTY, inflation, or any other item reasonably related to the County's risk.

Any such reduction or waiver for the entire term of the Agreement and any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. VENDOR agrees to execute any such amendment within thirty- (30) days of receipt.

C. RIGHT TO MONITOR AND AUDIT

1. Right to Monitor

The COUNTY, shall have absolute right to review and audit all records, books, papers, documents, corporate minutes, and other pertinent items as requested, and shall have absolute right to monitor the performance of VENDOR in the delivery of services provided under this Agreement. VENDOR shall give full cooperation, in any auditing or monitoring conducted. VENDOR shall cooperate with the COUNTY in the implementation, monitoring and evaluation of this agreement and comply with any and all reporting requirements established by the COUNTY.

2. Availability of Records

All records pertaining to services delivered and all fiscal, statistical and management books and records shall be available for examination and audit by COUNTY representatives for a period of three years after final payment under the Agreement or until all pending COUNTY, State and Federal audits are completed, whichever is later.

VII. PROPOSAL SUBMISSION

A. General

1. All interested and qualified Vendors are invited to submit a proposal for consideration. Submission of a proposal indicates that the vendor has read and understands the entire RFP, to include all appendixes, attachments, exhibits, schedules, and addendum (as applicable) and all concerns regarding the RFP have been satisfied.
2. Proposals must be submitted in the format described below. Proposals are to be prepared in such a way as to provide a straightforward, concise description of capabilities to satisfy the requirements of this RFP. Expensive bindings, colored displays, promotional materials, etc., are neither necessary nor desired. Emphasis should be concentrated on conformance to the RFP instructions, responsiveness to the RFP requirements, and on completeness and clarity of content.
3. Proposals must be completed in all respects as required in this section. A proposal may not be considered if it is conditional or incomplete.
4. All proposals and materials submitted become property of the County. All proposals received are subject to the "California Public Records Act."

B. PROPOSAL PRESENTATION INSTRUCTIONS

1. All proposals must be submitted on 8 ½ x 11 paper, neatly typed, double-sided on recycled paper, with normal (1-inch) margins and single-spaced. Typeface must be no more than 12 characters per inch. Each page, including attachments, must be clearly and consecutively numbered at the bottom center of each page.
2. One – (1) original and four (4) copies, total of five (5), of the complete proposal must be received by the deadline for receipt of proposal specified in Section II, (Proposal Timeline). The original and all copies must be in a sealed envelope or container stating on the outside: Vendor Name, Address, Telephone Number, RFP Title, and Proposal due date.

3. Proposals must be verified before submission as they cannot be withdrawn, or corrected after being opened. The COUNTY will not be responsible for errors, or omissions on the part of bidders in making up their proposals. A responsible officer or employee must sign proposals. California State Sales Tax should not be included in Vendor's quotation.
4. Hand carried proposals may be delivered to the address listed in Section I, F, only between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, excluding holidays observed by the County. Vendors are responsible for informing any commercial delivery service, if used, of all delivery requirements, and for ensuring that the address information appears on the outer wrapper or envelope used by such service.

The COUNTY reserves the right to reject any and all proposals or portions of proposal or alternates received by reasons of this request, to negotiate separately with any source whatsoever in any manner necessary to serve its interests.

The COUNTY realizes that factors other than price are important. As a result, price may not be the sole factor upon which the COUNTY'S decision to award is based. The COUNTY will make the award based upon the proposal, which best meets, its need. The COUNTY may reject any or all proposals, any portion of a proposal, and may waive any informality or immaterial irregularities in a proposal.

VIII. PROPOSAL FORMAT

Response to this RFP must be in the form of a proposal package, which must be submitted in the following format:

- (a) **Cover Page** – Attachment C is to be used as the cover page for the proposal. This form must be fully completed and signed by an authorized officer of the VENDOR
- (b) **Table of Contents** – All pages of the proposal, including the enclosures, must be clearly and consecutively numbered and correspond to the Table of Contents.
- (c) **References** - Provide three -(3) references from other agencies that you have provided these services for. Provide Contact Name, Address, Phone Number, and dates services were provided. This information must be included on Attachment B.
- (d) **Proposed Costs** – The schedule should clearly show the following:
 1. State the hourly rates and total hours by staff classification, travel and out of pocket expenses and the resulting all inclusive maximum fees by each item listed under Section V, Scope of Work and by fiscal year end.
 2. Provide hourly rates for additional consulting or auditing services if such services are requested by the County.
- e) **Approach to the Examination**
Submit a work plan to accomplish the scope defined in this RFP. Include start and completion dates, time estimates for significant segments of work, and estimated hours of staff to be assigned. The proposal should also include:

1. A brief synopsis of the Vendor's understanding of the County's needs and how the Vendor plans to meet these.
 2. An explanation of any assumptions and/or constraints.
 3. Discuss Vendor's ability to meet the deadline identified in V.(G).
- f) **Data Processing Requirements**
State whether data processing will be used in the examination and, if so, estimate the data processing resources the County will need to supply in terms of computer time, operator time and programmer time.
- g) **Statement of Certification** – Include the following in this section of the proposal:
- 1) A statement that the offer made in the proposal is firm and binding for 180 days from the date the proposal is opened and recorded.
 - 2) A statement that all aspects of the proposal, including cost, have been determined independently, without consultation with any other prospective Vendor or competitor for the purpose of restricting competition.
 - 3) A statement that all declarations in the proposal and attachments are true and that this shall constitute a warranty, the falsity of which will entitle the County to pursue any remedy by law.
 - 4) A statement that the Vendor agrees that all aspects of the RFP and the proposal submitted shall be binding if the proposal is selected and a Contract awarded. If Vendor takes exception to any County requirements, such exceptions must be identified in the proposal submission. Failure to do so waives any later objection by Vendor.
 - 5) A statement that the Vendor agrees to provide the County with any other information the County determines is necessary for an accurate determination of the Vendor's ability to perform the services as proposed; and
 - 6) A statement that the prospective Vendor, if selected will comply with all applicable rules, laws and regulations.
 - 7) A statement that the Vendor has no outstanding or pending complaints and no unsatisfactory record of performance with any public agency.
- h) **Statement of Qualifications (Resume)** – Include the following in this section of the proposal
- 1) Number of years the prospective Vendor has been in business under the present business name, as well as related prior business names.
 - 2) A list of references with which vendor has provided similar services during the last three-(3) years. Please include the name, address, and telephone number, and the type of services provided. Please include a contact person who the County can call in order to verify the quality of services your organization/firm has provided.
- i) **Employment of Former County Officials**
Provide information on former County of San Bernardino administrative officials (as defined below) who are employed by or represent your business. The information provided must include a list of former county administrative officials who terminated county employment within the last five years and who are now officers, principals, partners, associates or members of the business. Should also include the employment and/or representative capacity and the dates these individuals began employment with or representation of your business. For purposes of this section, "county administrative official" is defined as a member of the Board of Supervisors or such officer's staff, County Administrative Officer or member of such

officer's staff, county department or group head, assistant department or group head, or any employee in the Exempt Group, Management Unit or Safety Management Unit.

Failure to provide this information may result in the response to the request for proposal being deemed non-responsive.

j) **Disclosure of Criminal and Civil Proceedings**

Provide all information as listed under item 8 of Section III.

Failure to provide this information may result in the response to the request for proposal being deemed non-responsive.

k) **Insurance**

Submit evidence of ability to insure as stated in Section VI, B, Indemnification and Insurance Requirements.

l) **Form of Letter of Representations**

Provide a standard form of letter of representations Vendor requires County officials to execute with respect to the reports, financial information and statements provided by Vendor. Provide samples of representations required in connection with County financial transactions.

IX. PROPOSAL EVALUATION AND SELECTION

A. Evaluation Process

All proposals will be subject to a standard review process developed by the County. The evaluation will be based on the written proposal as submitted, but may include an oral interview with the vendor.

B. Evaluation Criteria

1. Initial Review

- a. The proposal must be complete, in the required format, and be in compliance with all the requirements of this RFP.
- b. Prospective Vendors must meet the requirements as stated in the Minimum Vendor Requirements as outlined in Section I, C.

Failure to meet any of these requirements may result in a rejected proposal. No proposal shall be rejected, however, if it contains a minor irregularity, defect or variation if the irregularity, defect or variation is considered by the County to be immaterial or inconsequential. In such cases, the vendor will be notified of the deficiency in the proposal and given an opportunity to correct the irregularity, defect or variation or the County may elect to waive the deficiency and accept the proposal.

2. Final Review

Proposals meeting the above requirements will be evaluated on the basis of the following criteria (not necessarily in order of priority):

- a. Proposed cost of service.

- b. Vendor's qualifications and experience in performing the services requested in this RFP.
- c. Vendor's proposed plan to achieve the Scope of Work, as outlined in Section V.
- d. Selection will be based on determination of which proposal best meets the needs of the County and the requirements of this RFP.

C. Evaluation Committee

The evaluation team will consist of representatives from the County Administrative Office, Purchasing Department, Arrowhead Regional Medical Center, and the Auditor Controller-Recorder Office.

D. Disputes Relating to Proposal Process and Award

In the event a dispute arises concerning the proposal process prior to the award of the contract, the party wishing resolution of the dispute shall submit a request in writing to the Auditor/Controller-Recorder.

Grounds for an appeal are that the County failed to follow the selection procedures and adhere to requirements specified in the RFP or any addenda or amendments; there has been a violation of conflict of interest as provided by California Government Code Section 87100 et seq.; or violation of State or Federal law. Appeals will not be accepted on any other grounds. The County will consider only those specific issues addressed in the written appeal.

The Auditor/Controller-Recorder or designee shall consider the request and respond in writing within ten (10) days any matter appealed during a scheduled hearing, within thirty- (30) days of receipt. The decision of the Auditor/Controller-Recorder shall be final with respect to matters of fact.

All disputes and/or appeals must be submitted to:

Elizabeth A. Starbuck
Assistant Auditor/Controller-Recorder
County of San Bernardino
Auditor/Controller-Recorder
222 W. Hospitality Lane 4th Floor
San Bernardino, CA 92415

E. Final Authority

The final authority to award an Agreement rests solely with the Board of Supervisors of the County of San Bernardino.

ATTACHMENT A –BACKGROUND INFORMATION

Page 1 of 3

DESCRIPTION OF SAN BERNARDINO COUNTY AND ITS ACCOUNTING SYSTEM

The Reporting Entity and Its Services

The County of San Bernardino, located in Southern California, was established by an act of the State Legislature on April 26, 1853, forming the County from the eastern part of Los Angeles County. The County is a charter law county divided into five supervisorial districts on the basis of registered voters and population. The County, largest in the State in terms of area, encompasses an area of over 20,000 square miles and includes twenty-four incorporated cities. As of January 1, 2002 the estimated population is 1,784,000.

The County provides a wide range of services to its residents, including police and fire protection, medical and health services, education, senior citizen assistance, consumer affairs, library services, judicial institutions including support programs, airport service, parks, and a variety of public assistance programs. Other services provided by special districts, which are governed by the County Board of Supervisors, include fire protection, lighting, road maintenance, sanitation and flood control. Some municipal services are provided by the County, on a contract basis, to incorporated cities within its boundaries.

Accounting System and Budgetary Control

The government-wide, proprietary, and investment Trust fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place

Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes and sales taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Property and sales taxes, interest, certain state and federal grants and charges for services are accrued when their receipt occurs within sixty days after the end of the accounting period so as to be both measurable and available. After reviewing the major sources of revenue covered by GASB 33, the County expanded its definition of "available" to 9 months for voluntary non-exchange transactions such as federal and state grants. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when the payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

PAGE 2 OF 3

The County's internal accounting control system exists to provide reasonable assurances that assets are safeguarded against loss or unauthorized disposition and that financial information regarding fixed assets are supported by reliable financial records. The County's Internal Audits Section fulfills the duties of evaluating and upgrading the internal accounting control system.

Budgetary control is maintained at the expenditure object series level, or sub-object level for fixed assets. Encumbrance accounting is utilized to assure effective budgetary control; purchase orders and contracts are reviewed and a determination is made that valid and sufficient appropriations exist for payment for ordered goods and services. Encumbrances outstanding at year-end do not constitute expenditures or liabilities. Unencumbered appropriations lapse at year-end and encumbrances outstanding at that time are reported as reservations of fund balance for subsequent year expenditures.

The County's financial statements include all organizations, functions and activities of the County for which the County Board of Supervisors exercises oversight responsibility. Included are numerous self-governed school districts and special districts for which cash and investments are held by the County Treasurer. The financial reporting for these governmental entities, independent of the County of San Bernardino, is limited to the total amount of cash and investments and other assets, and the related fiduciary responsibility of the County for disbursement of these assets. Financial reports are prepared in accordance with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board.

The County's financial records are located within the County, primarily at the Office of the Auditor/Controller-Recorder. Some records may be located at outlying County departments.

The 1999-2000 Budget for Countywide funds is \$2,004,680,918. You can review the County budget for fiscal year 2002/2003 at www.sbcounty.gov.

Data Processing

The Technology Operations Division provides 24 hour a day 7 day a week service to County Department and Agencies. The Division operates an IBM Mainframe 9672/R65. In addition to the Enterprise Server applications, the County has many client server applications that are managed by the Data Center staff. These systems are primarily running on Microsoft NT servers across the County's Wide Area Network to distributed Clients. The County's Information Services Department also supports a variety of Internet/Intranet.

Independent Audit

The County's 2001-2002 financial statements were audited by KPMG, LLP, independent certified public accountants. The auditor's report is included in the financial section of the Comprehensive Annual Financial Report (CAFR) which is available for review on the Auditor/Controller-Recorder's Website.

Internal Audit Assistance

The independent CPA firm to be selected may expect up to 1,000 hours of Internal Audit's staff hours for each fiscal year audit. The Internal Audit staffing hours should only be utilized to assist the vendor in the audits and should not be for leading any part of the audits. The vendor must provide dates of training and the schedule of the plans for the use of the Internal Audit staff.

Training of Auditor/Controller Staff

The firm selected is expected to give an eight (8) hour training to the Auditor/Controller Staff free of charge for every audit year.

County Assistance and Cooperation

County will ensure that the general ledgers of the County are closed and in balance no later than August 31st for each fiscal year. County will give timely cooperation to the Vendor, including providing Vendor with adequate working space and reasonable access to County's books, records, files and personnel.

Attachment B – References

Name of Agency	Contact Name	Phone Number	Dates services provided (from/thru)

PROPOSAL FOR MULTI YEAR AUDITING SERVICES

VENDOR'S NAME (*name of firm, entity or organization*):

FEDERAL EMPLOYER IDENTIFICATION NUMBER:

NAME AND TITLE OF VENDOR'S CONTACT PERSON:

MAILING ADDRESS:

Street Address: _____

City, State, Zip: _____

TELEPHONE NUMBER: _____

FAX NUMBER: _____

EMAIL ADDRESS: _____

VENDOR'S ORGANIZATIONAL STRUCTURE

___ Corporation ___ Partnership ___ Proprietorship ___ Joint Venture

___ Other (explain): _____

If Corporation, Date Incorporate: _____ State Incorporated: _____

States Registered in as foreign corporation:

VENDORS SERVICES OR BUSINESS ACTIVITIES OTHER THAN WHAT THIS RFP REQUESTS:

VENDOR'S AUTHORIZED SIGNATURE:

The undersigned hereby certifies that this proposal is submitted in response to this solicitation.

SIGNED: _____

DATE: _____

PRINT NAME: _____ TITLE: _____